

MASSACHUSETTS BAY TRANSPORATION AUTHORITY  
EXECUTIVE DEFERRED COMPENSATION CONTRIBUTION PLAN

Effective January 1, 2001

December 2001

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## **ARTICLE 1**

### **NAME, PURPOSE AND EFFECTIVE DATE**

#### **1.01 NAME AND PURPOSE**

The supplemental retirement plan set forth herein shall be known as the Massachusetts Bay Transportation Authority Executive Deferred Compensation Contribution Plan (the “Plan”). The Plan is established for the purpose of providing retirement plan benefits which are not provided under the Massachusetts Bay Transportation Authority Deferred Compensation Savings Plan for certain employees due to the limitations of Sections 401(a)(17) and 415 of the Code.

Effective January 1, 2001 , the Plan shall provide retirement benefits to Management Director level employees who participate in the Deferred Compensation Savings Plan. However, participation in the Plan pursuant to this paragraph shall be limited to a “select group of management or highly compensated employees” as such term is defined under the Employee Retirement Income Security Act of 1974 (ERISA).

The Plan is unfunded.

#### **1.02 EFFECTIVE DATE**

This Plan is originally effective as of January 1, 2001. This Plan applies to Participants who retire or terminate their employment with the Employer after the Effective Date.

## ARTICLE II

### DEFINITIONS

When used herein, the following terms defined hereinafter shall have the following meanings unless a different meaning is clearly required by the context of the Plan:

- 2.01** "**Board**" means the Board of Directors of the Employer.
- 2.02** "**Code**" means the Internal Revenue Code of 1986, as amended from time to time. Reference to a specific provision of the Code shall include such provision, any valid regulation or ruling promulgated thereunder, and any provision of future law that amends, supplements, or supersedes such provision.
- 2.03** "**Compensation**" means the total compensation payable to an Employee by the Employer as determined in accordance with the Qualified Plan, however, the limitations of Section 401(a)(17) of the Code shall not apply.
- 2.04** "**Credited Interest Rate**" for any plan year means the Prime Rate as published in the Wall Street Journal on the last business day of the prior plan year.
- 2.05** "**Effective Date**" means January 1, 2001 .
- 2.06** "**Employee**" means any person employed by the Employer.
- 2.07** "**Employer**" means Massachusetts Bay Transportation Authority and any subsidiary and/or affiliated corporation which has adopted this Plan.
- 2.08** "**Employer Contributions**" refer to contributions payable by the Employer in the Qualified Plan.
- 2.09** "**Plan Administrator**" means the Pension and Savings Committee appointed by the Board which serves as the administrator of the Plan.
- 2.10** "**Plan**" means the Massachusetts Bay Transportation Authority Executive Deferred Compensation Contribution Plan.
- 2.11** "**Qualified Plan**" means the Massachusetts Bay Transportation Authority Deferred Compensation Savings Plan as in effect on January 1, 1996 or as amended thereafter from time to time.
- 2.12** "**Restoration Contribution**" means the contribution payable under Article IV of the Plan.

## **ARTICLE III**

### **PARTICIPATION**

#### **3.01 PARTICIPATION**

Any Employee shall become a Participant in the Plan provided:

- (a) he has satisfied the eligibility requirements for participation under the Qualified Plan; and
- (b) his Compensation for any calendar year exceeds \$170,000, or such higher amount as such limit may be adjusted from time to time pursuant to Section 401(a)(17) of the Code.

## ARTICLE IV

### RESTORATION CONTRIBUTION

#### **4.01 AMOUNT OF RESTORATION CONTRIBUTION**

A Participant who remains employed on December 31 of a calendar year, or who has, during the calendar year died, or retired (as that term is defined in the Qualified Plan) shall be entitled to a contribution under the provisions of this Article if the Employer Contribution determined under the provisions of the Qualified Plan is less than such Employer Contribution would have been if compensation under the Qualified Plan included compensation in excess of Section 401(a)(17) of the Code and/or limits under Section 415 of the Code did not apply.

The Restoration Contribution to which the Participant shall be entitled under the Plan shall be the excess, if any, of (a) over (b) determined as follows:

- (a) The Employer Contribution which would have been payable under the terms of the Qualified Plan if compensation under the Qualified Plan included compensation in excess of Section 401(a)(17) of the Code and/or if the limits under Section 415 of the Code did not apply.
- (b) The Employer Contribution determined under the terms of the Qualified Plan.

#### **4.02 VESTING**

A Participant shall be vested in his Restoration Contribution in accordance with the vesting provisions of the Qualified Plan.

## ARTICLE V

### PAYMENT OF BENEFIT

#### **5.01 PAYMENT OF RESTORATION CONTRIBUTION**

Subject to 5.02, Restoration Contributions shall be paid annually to the Participant as soon as administratively practicable following the close of the calendar year.

#### **5.02 PAYMENT OF RESTORATION CONTRIBUTION FOR NONVESTED PARTICIPANTS**

If the Participant is not vested under the terms of the Qualified Plan, Restoration Contributions payable from this Plan will be held by the Authority and paid to the Participant upon vesting.

Restoration Contributions held by the Authority will be credited with the Credited Interest Rate as defined in Section 2.04 of the Plan.

## ARTICLE VI

### FUNDING AND ADMINISTRATION

#### **6.01 FUNDING**

There is no fund associated with this Plan. The Employer shall be required to make payments only as benefits become due and payable. No person shall have any right, other than the right of an unsecured general creditor, against the Employer with respect to the benefits payable hereunder, or which may be payable hereunder, to any Participant, surviving spouse or beneficiary hereunder. If the Employer, acting in its sole discretion, establishes a reserve or other fund associated with this Plan, no person shall have any right to or interest in any specific amount or asset of such reserve or fund by reason of amounts which may be payable to such person under this Plan, nor shall such person have any right to receive any payment under this Plan except as and to the extent expressly provided in this Plan. The assets in any such reserve or fund shall be subject to the control of the Employer, and need not to be used to pay benefits hereunder.

#### **6.02 DUTIES OF THE PLAN ADMINISTRATOR**

The Plan shall be administered by the Plan Administrator in accordance with its terms and purposes. The Plan Administrator shall determine the amount and manner of payment of the benefits due to or on behalf of each Participant from the Plan and shall cause them to be paid by the Employer accordingly.

#### **6.03 FINALITY OF DECISIONS**

The Plan Administrator is expressly granted, without intending any limitation, the discretionary authority to construe and interpret the Plan and to determine all questions relating to eligibility, rights, and entitlement to benefits hereunder and such authorities as may be necessary for it to discharge its duties and responsibilities hereunder. Except as otherwise provided by law, all decisions made by and the actions taken by the Plan Administrator in connection with the administration and operation of the Plan shall be final and conclusive on all persons, and the Plan Administrator shall not be subject to liability with respect to the Plan.

## **ARTICLE VII**

### **MISCELLANEOUS**

#### **7.01 NO GUARANTEE OF EMPLOYMENT**

Nothing contained in this Plan shall be construed as a contract of employment between the Employer and any Participant, or as a right of any such Participant to be continued in the employment of the Employer, or as a limitation on the right of the Employer to deal with any Participant, as to his employment, discharge, layoff, compensation, and all other conditions of employment in all respects as though this Plan did not exist.

#### **7.02 RIGHTS UNDER PLAN**

Nothing in this Plan shall be construed to limit, broaden, restrict, or grant any right to a Participant, surviving spouse or any beneficiary thereof under the Plan, nor to grant any additional rights to any such person under the Plan, nor in any way to limit, modify, repeal or otherwise affect the Employer's right to amend or modify the Plan.

#### **7.03 TERMINATION FOR CAUSE**

If a Participant's employment with the Employer is terminated for cause then, notwithstanding any other provision of the Plan, no benefits shall be payable under Article V of the Plan to or with respect to such Participant. Termination for cause shall mean termination because of any dishonest act with respect to the Employer or its property, gross negligence or willful neglect in the performance of his duties as an Employee, or the failure of a Participant to fulfill his obligations under the Plan while an Employee of the Employer.

#### **7.04 AMENDMENTS/TERMINATION**

With respect to administrative or non-plan design matters, the Plan may be amended at any time executing a written instrument describing such change by the Plan Administrator. The Plan may be terminated at any time or amended at any time with respect to plan design matters by a vote duly adopted by the Board; provided, however, in the event an amendment discontinues contributions or terminates this Plan, any Participants accounts being held by the Plan under Section 5.02 shall become fully vested and will be paid to the Participant as soon as administratively practicable. As used in the preceding sentence, the term "plan design matters" refers to amendments that directly affect a Participant's eligibility for contributions or the amount of such contributions. The term "administrative or non-plan design matters" refers to all other changes including, but not limited to, provisions affecting the administration of the Plan as well as changes to plan provisions which are required by law.

## **7.05 NONASSIGNABILITY**

The benefits payable under this Plan shall not be subject to alienation, assignment, garnishment, execution or levy of any kind and any attempt to cause any benefits to be so subjected shall not be recognized, except to the extent required by applicable law.

## **7.06 ENTIRE AGREEMENT**

This Plan, including any subsequently adopted amendments, shall constitute the entire agreement. There are no covenants, promises, agreements, conditions or understandings, either oral or written, between the Employer and any Participant relating to the subject matter hereof, other than those set forth in this Plan. This Plan and any amendment shall be binding on the parties hereto and their respective heirs, administrators, trustees, successors and assigns, and on all designated beneficiaries of the Participant.

## **7.07 SUCCESSOR COMPANY**

In the event of the dissolution, merger, consolidation or reorganization of the Employer, provision may be made by which a successor to all or a major portion of the Employer's property or business shall continue this Plan, and the successor shall have all of the powers, duties and responsibilities of the Employer under this Plan.

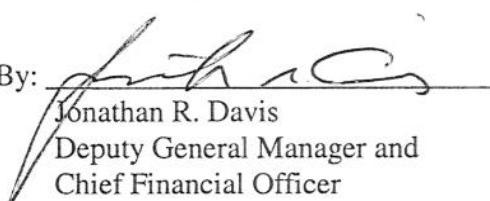
## **7.08 GOVERNING LAW**

This Plan shall be construed and enforced in accordance with, and governed by, the laws of the Commonwealth of Massachusetts.

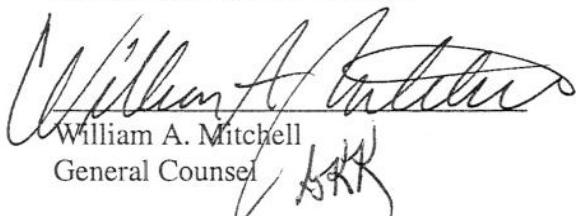
**IN WITNESS WHEREOF**, Massachusetts Bay Transportation Authority has caused this instrument to be executed in its name and on its behalf this 28<sup>th</sup> day of December, 2001.

**MASSACHUSETTS BAY  
TRANSPORTATION AUTHORITY**

By:

  
Jonathan R. Davis  
Deputy General Manager and  
Chief Financial Officer

APPROVED AS TO FORM:

  
William A. Mitchell  
General Counsel